

**ONE HUNDRED FIRST LEGISLATURE - FIRST SESSION - 2009**  
**COMMITTEE STATEMENT**  
**LB577**

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**Hearing Date:** Friday February 06, 2009  
**Committee On:** Natural Resources  
**Introducer:** Rogert  
**One Liner:** Change provisions relating to improvement project areas of natural resources districts

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**Roll Call Vote - Final Committee Action:**  
Indefinitely postponed

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**Vote Results:**

**Aye:** 8 Senators Carlson, Cook, Dubas, Fischer, Haar, Langemeier, McCoy, Schilz  
**Nay:**  
**Absent:**  
**Present Not Voting:**

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**Proponents:**

Senator Kent Rogert  
Andy Pollock  
David Bargen  
Tyler Mohr  
Jeff Quist  
Duane Gangwish  
Cynthia Timmermier  
Ed George  
Kevin Propst

**Representing:**

Introducer  
Papio Valley Preservation Association  
Papio Valley Preservation Association  
Self  
Self  
Nebraska Cattlemen  
Self  
Self  
Village of Washington

**Opponents:**

John Thorburn  
  
Stan Staab  
Jasper Fanning  
Marlin Petermann  
Paul Peters

**Representing:**

Tri-Basin Natural Resources District, Nebraska  
Association of Resources Districts  
Lower Elkhorn Natural Resources District  
Upper Republican Natural Resources District  
Papio-Missouri River Natural Resources District  
Papio-Missouri River Natural Resources District

**Neutral:**

**Representing:**

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**Summary of purpose and/or changes:**

LB 577 clarifies the law on improvement project areas by natural resources districts.

Section 1 amends Section 2-3211.01, relating to NRD changes in boundaries and treatment of taxes, by updating the statutory references.

Section 2 amends Section 2-3226.03, relating to river-flow enhancement bonds, by updating a statutory reference.

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Section 3 amends Section 2-3235, relating to agreements that NRDs may enter into, by adding new language stating the section should not be read as (1) giving an NRD authority to enter into agreements with business developers or (2) allowing an NRD to advertise real estate when eminent domain has been used.

Section 4 creates new language applicable to sections 4 through 16 of the bill. This section provides definitions for terms used in the improvement project area statutes. The definition of "special benefit" is meant to ensure that a project affects only small areas of the district, rather than benefiting the entire district.

Section 5 amends Section 2-3252, relating to NRD powers with improvement project areas, by specifying: improvement project areas may be established for purposes stated in statute except development and management of fish and wildlife habitat, or recreational and park facilities; that improvement project areas have specified geographical boundaries; and prohibiting projects by business developers (unless the developer has owned the land for at least ten years). This section also cleans up language that has been restated elsewhere in the statutes.

Section 6 amends Section 2-3253, relating to petitions for improved project areas, by updating language, and clarifying that a project area is to be geographically defined and identified if it is affected by the project and not within the geographic area.

Section 7 amends Section 2-3254, relating to petition hearings, by updating language and requiring notice to be provided to landowners whose property may be affected by the project. Also requires a majority vote for a project in a district which contains a metropolitan class city by landowners whose land is outside of the project area boundaries but may be affected by the project.

Further allows an NRD to contract with economists, appraisers and other experts to help determine the value of a project's benefits. The rest of the section deletes language that is placed elsewhere in statute.

Section 8 contains new matter that represents language previously placed elsewhere in statute.

Section 9 contains new matter that represents language previously placed elsewhere in statute, except one sentence in the section requires benefit units be assigned to land proportionate with the benefit accruing to the land.

Section 10 contains new matter that represents language previously placed elsewhere in statute.

Section 11 contains new matter that represents language previously placed elsewhere in statute, except for one portion, lines 18 through 20, which ensure NRD general funds are not used for projects with local special benefits, unless they are replaced within one year.

Section 12 amends Section 3254.02, relating to bonds for improvement projects, by eliminating the requirement that a project not result in revenue-producing continuing services in order for the district to be able to issue bonds.

Section 13 amends Section 2-3254.03, relating to improvement projects financed with bonds, by updating language and only allows NRD general funds to be used for local improvement projects if repaid within one year.

Section 14 amends Section 2-3254.07, relating to warrants and bonds to fund projects, by limiting the bonds issued to 12% of the taxable valuation of all taxable property in the district.

Section 15 creates new language relating to delinquent assessments restating what was already in statute elsewhere.

Section 16 amends Section 2-3255, relating to appeals of a board decision, by clarifying jurisdiction depending on the location of the land affected, and states that land affected by a project outside of the project area may have its appeal in any district court of any county with affected land or any county in which the project area lies.

Section 17 repeals the original sections.

Section 18 repeals outright Sections 2-3254.01, 2-3254.04, 2-3254.05, and 2-3254.06. These sections concern improvement projects, issuance of bonds and a special assessment levy and have been moved to other sections in statute.

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Chris Langemeier, Chairperson